

COMMONWEALTH OF KENTUCKY
BEFORE THE UTILITY REGULATORY COMMISSION

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In the Matter of

APPLICATION OF PAGE-PHONE, INC.)
FOR AUTHORITY TO INCREASE THE)
AMOUNT OF PLANT EQUIPMENT AT)
THE BOWLING GREEN FACILITY AND) CASE NO. 7920
TO INCREASE THE APPLICANT'S)
CHARGES FOR MOBILE TELEPHONE)
SERVICE IN BOWLING GREEN AND)
CLAY VILLAGE, KENTUCKY AREAS)

O R D E R

On July 18, 1980 Page-Phone, Inc. (Applicant) filed its Application with the Commission requesting (a) authority to increase the amount of plant equipment at its Bowling Green facility in order to provide needed additional capacity; (b) to eliminate certain items from its tariffs in order for the tariffs to reflect only those services actually provided by Applicant; and (c) permission to increase charges for two way mobile telephone service in Bowling Green and Clay Village, Kentucky. On a normalized basis, the proposed increase would provide additional annual revenues of approximately \$19,200.

In order to determine the reasonableness of the proposed increase, the Commission suspended the proposed rates for a period of five months beginning on September 1, 1980. Public hearings were held on October 9, 1980, and October 21, 1980. The Attorney General's Division of Consumer Intervention was the sole intervenor in this matter. All requested information has been submitted and made a part of the record and the entire matter is considered fully submitted for final Commission approval.

COMMENTARY

Page-Phone, Inc., successor to Radio Telephone Service, Inc., was granted a Certificate of Convenience and Necessity on January 24, 1980, granting Applicant authority to provide radio telephone and radio paging services to the public in Bowling Green and Clay Village,

Kentucky. Prior to his purchase of these facilities on January 24, 1980, Page-Phone's present owner conducted operations of these facilities as manager for Radio Telephone Service, Inc. As a result, Applicant's mode of business continued materially unchanged.

TEST PERIOD

In order to determine the reasonableness of the proposed rates the Commission has adopted the twelve month period ending December 31, 1979. The Commission finds that Page-Phone's financial condition was not materially impacted due to the transfer of ownership.

OPINION AND FINDINGS

The Commission, after consideration of the evidence of record and being advised, is of the opinion and so FINDS:

(1) Applicant's Income Statement for the test period shows actual operating expenses of \$45,690 and an operating income deficit of \$16,860.

(2) That the Applicant's proposed rates as set out in Appendix "A" attached hereto and made a part hereof will produce annual revenues of approximately \$48,000 on a test period basis and are the fair, just and reasonable rates for the Applicant.

(3) That these rates are necessary and essential to allow the Applicant to improve its financial position.

(4) That Applicant's proposed purchase of presently leased equipment at its Bowling Green, Kentucky facility is more economical to the operations of the utility, is in the public interest, and should therefore be approved.

(5) That Applicant should omit those items from its tariffs, as proposed, due to an absence of demand.

IT IS THEREFORE ORDERED, that the rates sought by Page-Phone, Inc., as set out in Appendix "A" attached hereto and made a part hereof are fair, just and reasonable and are approved for service rendered on and after the date of this Order.

IT IS FURTHER ORDERED, that Page-Phone, Inc., is hereby granted approval to omit from its tariffs those services as proposed.

IT IS FURTHER ORDERED, that Page-Phone, Inc.'s request to increase the amount of plant equipment at its Bowling Green facility is in the public interest and is hereby approved.

IT IS FURTHER ORDERED, that Page-Phone, Inc., shall file with this Commission within thirty (30) days from the date of this Order, its revised tariff sheets setting out the rates approved herein.

Done at Frankfort, Kentucky, this 23rd day of January, 1981.

UTILITY REGULATORY COMMISSION

Did Not Participate

Chairman

William H. G. Mann

Vice Chairman

Mary Ray Saker

Commissioner

ATTEST:

Secretary

APPENDIX "A"

APPENDIX TO AN ORDER OF THE UTILITY REGULATORY
COMMISSION IN CASE NUMBER 7920, DATED JANUARY 23, 1981

The following rate schedules are hereby prescribed for the customers served by Page-Phone, Inc. All other rates and charges not mentioned specifically herein shall be void, effective the date of this Order.

RATES: Bowling Green

The following rates and charges shall be applicable to all subscribers in the Bowling Green, Kentucky, service area.

Mobile Telephone Service

<u>Service</u>	<u>Rate</u>
Manual MTS	Initial 100 minutes: \$35.00 Each additional minute: \$0.35
Automatic MTS	Initial 100 minutes: \$25.00 Each additional minute: \$0.25
Manual & Automatic MTS	Initial 100 minutes: \$40.00 Each additional minute: \$0.35
Transient MTS	Each Minute: \$0.35 (Minimum charge per call: \$2.50)

All mobile and/or portable two-way radios will be subscriber-owned.

All maintenance and/or service on mobile or portable two-way radios will be the responsibility of the subscriber.

Paging Service

<u>Service</u>	<u>Rate</u>
Automatic Paging Service	\$ 15.00 per month
Pager Rental (Tone and Voice)	\$ 10.00 per month
Pager Maintenance	\$ 2.50 per month

RATES: CLAY VILLAGE

The following rates and charges shall be applicable to all subscribers in the Clay Village, Kentucky, service area.

Mobile Telephone Service

<u>Service</u>	<u>Rate</u>
Automatic MTS	\$ 25.00 per month

All mobile and/or portable two-way radios will be subscriber-owned.

All maintenance and/or service on mobile or portable two-way radios will be the responsibility of the subscriber.

Paging Service

<u>Service</u>	<u>Rate</u>
Automatic Paging Service	\$ 15.00 per month
Pager Rental (Tone and Voice)	\$ 10.00 per month
Pager Maintenance	\$ 2.50 per month